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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

# San Francisco Division

LETICIA AYALA,

Plaintiff,

v.

KILOLO KIJAKAZI,

Defendant.

Case No. 19-cv-00056-LB

ORDER GRANTING THE PLAINTIFF'S COUNSEL'S MOTION FOR ATTORNEY'S FEES

Re: ECF No. 31

## **INTRODUCTION**

In this Social Security appeal, the parties previously stipulated to remand the case to the Social Security Administration for further proceedings. On remand, the plaintiff received a past-due benefits award.<sup>2</sup> Her counsel now seeks fees of \$16,089.38, which is within the 25-percent limit in 42 U.S.C. § 406(b) and the representation agreement with his client.<sup>3</sup> The court can decide this matter without oral argument. See N.D. Cal. Civ. L.R. 7-1(b). The court grants the motion.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Order – ECF No. 26. Citations refer to material in the Electronic Case File (ECF); pinpoint citations are to the ECF-generated page numbers at the top of documents.

<sup>&</sup>lt;sup>2</sup> Notice of Award – ECF No. 31-3 at 2–8.

<sup>&</sup>lt;sup>3</sup> Mot. − ECF No. 31-1.

<sup>&</sup>lt;sup>4</sup> The court declines the plaintiff's counsel's request to apply a 3.21 multiplier. See id. at 4–6.

# **STATEMENT**

The Commissioner withheld 25% of the retroactive benefits, or \$16,089.38.<sup>5</sup> The plaintiff has a fee agreement with her lawyer that provides for a 25-percent contingency fee of the award as of the final decision.<sup>6</sup> The plaintiff's attorney has already received \$3,621.60 in attorney's fees under the Equal Access to Justice Act (EAJA).<sup>7</sup> He agreed that he will refund the EAJA fees.<sup>8</sup>

The Commissioner filed a response to the plaintiff's motion stating that he "has no objection to the fee request." 9

## **ANALYSIS**

Under 42 U.S.C. § 406(b), "[w]henever a court renders a judgment favorable to a [social security] claimant . . . , the court may determine and allow as part of its judgment a reasonable fee" for the claimant's counsel, which can be no more than 25 percent of the total of past-due benefits awarded to the claimant. 42 U.S.C. § 406(b)(1)(A). A court may award such a fee even if the court's judgment did not immediately result in an award of past-due benefits; where the court has rendered a judgment favorable to a claimant by reversing an earlier determination by an ALJ and remanding for further consideration, the court may calculate the 25-percent fee based upon any past-due benefits awarded on remand. *See, e.g., Crawford v. Astrue*, 586 F.3d 1142, 1147 (9th Cir. 2009) (en banc).

In considering a motion for attorney's fees under § 406(b), the court must review counsel's request "as an independent check" to ensure that the contingency fee agreement "yield[s] reasonable results." *See Gisbrecht v. Barnhart*, 535 U.S. 789, 807 (2002). Section 406(b) "does not displace contingent-fee agreements within the statutory ceiling; instead, § 406(b) instructs courts to review for reasonableness fees yielded by those agreements." *Id.* at 808–09. To evaluate the reasonableness of a fee request under § 406(b), the court considers the character of the

<sup>&</sup>lt;sup>5</sup> Notice of Award – ECF No. 31-3 at 4.

<sup>&</sup>lt;sup>6</sup> Fee Agreement – ECF No. 31-5.

<sup>&</sup>lt;sup>7</sup> Order – ECF No. 30.

 $<sup>^{8}</sup>$  Mot. – ECF No. 31-1 at 2.

<sup>&</sup>lt;sup>9</sup> Response – ECF No. 33.

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representation and the results achieved. <i>Id.</i> at 808; see also Crawford, 586 F.3d at 1151. This
includes analyzing whether substandard representation justifies awarding less than 25 percent in
fees; any delay in the proceedings attributable to the attorney requesting the fee; whether the
benefits of the representation are out of proportion to time spent on the case; and the risk counsel
assumed by accepting the case. See Crawford, 586 F.3d at 1151-52 (citing Gisbrecht, 535 U.S. at
808). If an attorney "is responsible for delay a reduction [of fees] is in order so that the
attorney will not profit from the accumulation of benefits during the pendency of the case in
court." Gisbrecht, 535 U.S. at 808 (cleaned up); see also Crawford, 586 F.3d at 1151.

The court must offset an award of § 406(b) attorney's fees by any award of fees granted under the EAJA. *Gisbrecht*, 535 U.S. at 796; *Parrish v. Comm'r of Soc. Sec. Admin.*, 698 F.3d 1215, 1218 (9th Cir. 2012).

The 25-percent contingency-fee agreement is within § 406(b)(1)(A)'s ceiling, and the amount is reasonable.

# **CONCLUSION**

The court finds that a fee award of \$16,089.38 is reasonable under § 406(b). The plaintiff's counsel must refund the plaintiff the EAJA fees, which results in a net (remaining) fee award of \$12,467.78.

IT IS SO ORDERED.

Dated: June 10, 2022

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LAUREL BEELER United States Magistrate Judge